The Fifth Estate

C1750-1

RADIO TELEVISION CABLE SATELLITE

Broadcasting Apr 30

HOW TO PICK UP WOMEN IN THE TWIN CITIES.

If you're trying to reach female listeners, check out our measurements from the fall Arbitron ratings. The fact is, KS95 FM is on the wavelength of more women 25 to 54 than any other station in the Twin Cities. To learn more, call 612/642-4141 or contact a McGavren Guild office. *Always 95 and sunny.*

KS95

59th Year 1990

Big Bucks for Big Three

Exclusive: TV network profits for 1989

MIP-TV

BETHESDA MD 20814
4520 EAST-WEST HWY
CONGRESSNL INFO SRV **SAMPLE
SRI ACQ
20814SRI AT850I ZWZ
**********5-01311T 2081

Broadcasting Apr 30

Vol. 118 No. 18

35/ The business at CBS, NBC and Capital Cities/ABC

BROADCASTING's exclusive financial breakdown of three major broadcast segments shows diversification, acquisitions and cost-cutting bringing operating margins in 1989 up to levels not seen since late 1970's.

38/ Hollywood studios stake claims at MIP

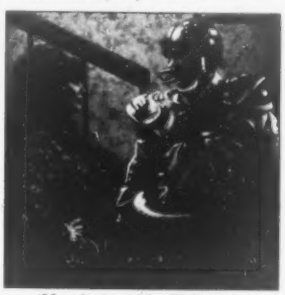
Annual spring program fair features growing number of Hollywood studios embracing co-production deals.

42/ Bob Wussler: Programing the outside of the envelope

Former CBS and Turner Broadcasting System executive, now president of Comsat Video Enterprises, is developing ultimate "niche" network for DBS—programing no one has yet developed for television, in addition to such standbys as sports. It could happen in 1990's.

44/ READY FOR DISTRIBUTION

Columbia Pictures Television prepares to launch



'Married...with Children'

Fox's *Married...with Children* in syndication for 1991-92 season.

51/ LOTTERY LAW

New Charity Games Advertising and Clarification Act of 1988 takes effect next week, but what impact, if any, it will have for broadcasters is not clear.

46/ FUTURE FOR 'YESTERDAY'

King World Productions gives half-hour news magazine *Only Yesterday* firm production commitment with more than 50 stations cleared. Company also signs deal with broadcast network to obtain newsreel footage for program.

47/ CTAM FOCUSES ON PPV

Participants in CTAM's first annual pay-per-view conference are told of PPV's "great potential" that is not being realized.

Lloyd Bridges in 'Capital News'

45/ ABC PULLS THREE SHOWS

Network puts *Capital News*, *Sunset Beat* and *China Beach* on hiatus for at least duration of May sweeps.

55/ HEWITT ON NEWS

CBS News veteran Don Hewitt says broadcast networks should return to "intelligent adversary role with politicians."

56/ HISPANIC RADIO EXPANDS ITS REACH

According to U.S. Census estimates, Hispanic population is fastest growing segment of nation. It is not going unnoticed by nation's broadcasters.

66/ OPPORTUNITIES IN EASTERN EUROPE

Ambassador Diana Lady Dougan offers overview of U.S. delegation's trip to investigate status of broadcasting in Hungary, Romania, Czechoslovakia and the German Democratic Republic.

U.S. delegation included John Hoagland, Christian Science Publishing Society; Bohdan Bulawka, State Department; Dougan; Eugene Sekulow, NYNEX International; John Koehler, Hughes Aircraft Co.

60/ TAK COMMUNICATIONS IN THE NEWS

Group owner considers selling some properties; financing is subject of industry speculation.

87/ FIELD OF DREAMS

American Public Radio President Stephen Salyer's vision for noncommercial radio rests on previously unseen opportunities in programing and funding.

DEPARTMENTS

Advertisers Index 86
At Large 66
Business 60
By the Numbers 14
Changing Hands 62
Closed Circuit 8
Datebook 20
Editorials 90
Fates & Fortunes 83
Fifth Estater 87
For the Record 70
In Brief 88
International 64
Journalism 55
Law & Regulation 51
Masthead 24
The Media 47
Monday Memo 30
On Radio 56
Open Mike 26
Programing 44
Riding Gain 59
Satellite Footprints 50
Stock Index 18
Syndication Marketplace 45
Technology 70

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BY THE NUMBERS 1

NBC won the ratings race for the week of April 16-22, with a household rating of 12.5. ABC was second, with a 12.0, while CBS placed a distant third, with a 9.6.

NBC also had the number-one show for the week, an original episode of *Cheers*, while two repeat episodes of the increasingly popular *America's Funniest Home Videos*, which ran back-to-back Sunday night, gave ABC the second and fourth spots. The programs received a 21.7/38 share (the show's highest share) and 20.9/33, respectively.

ABC's *Twin Peaks*, in its second regular outing, garnered a 13.1/21, down from the previous week's 16.2/27. *Peaks* came in at 28 for the week, also down from 13th the week before.

ABC's *Earth Day Special* was 16th for the week, tying with NBC's *Perry Mason* movie repeat, which ran during the same time period, and a repeat episode of *In the Heat of the Night*.

Other specials resided closer to the bottom of the list. NBC's *Spy Magazine: How to Be Famous*,

"By the Numbers" continues on page 18.

RATINGS ROUNDUP

Week 30 □ Apr. 16–Apr. 22

Rank/rating	□	Network	□	Show
1 ▲ 21.9/35		N		*Cheers*
2 ▲ 21.7/38		A		*Amer. Funniest Videos*
3 ▲ 21.1/37		N		*Cosby*
4 20.9/33		A		*Funniest Videos Special*
5 ▲ 20.8/35		N		*A Different World*
6 ▼ 19.8/31		A		*Roseanne*
7 ■ 19.0/30		N		*Wings*
8 ▲ 18.4/29		A		*Wonder Years*
9 16.8/31		N		*Empty Nest*
9 ▲ 16.8/29		N		*Unsolved Mysteries*
11 ▲ 16.5/32		N		*Carol & Company*
12 ▼ 16.3/30		N		*Golden Girls*
13 ▲ 16.2/34		C		*60 Minutes*
14 ▼ 16.0/25		A		*Coach*
15 ▼ 15.9/26		A		*Who's the Boss?*
16 14.6/23		N		*Heat of the Night*
16 14.6/24		N		*Sunday Movie: Perry Mason*
16 14.6/24		A		*Time Warner: Earth Day*
19 ▲ 14.2/25		A		*Primetime: Live*
20 ▼ 13.9/22		C		*Designing Women*
21 13.6/22		N		*Matlock*
22 ▲ 13.5/27		A		*Full House*
23 ▲ 13.4/28		N		*Down Home*
23 ▲ 13.4/22		N		*Night Court*
23 ▲ 13.4/23		A		*thirtysomething*
26 13.3/21		N		*Hunter*
27 ▼ 13.2/21		C		*Murphy Brown*
28 ▼ 13.1/21		A		*Twin Peaks*
29 13.0/23		N		*L.A. Law*
30 ▼ 12.9/20		F		*Married...With Children*
31 ▲ 12.8/21		A		*Doogie Howser, M.D.*
31 ▲ 12.8/22		A		*Head of the Class*
33 ▼ 12.7/25		A		*Family Matters*
33 ▲ 12.7/21		A		*Macgyver*
35 ▼ 12.5/24		A		*20/20*
36 ▼ 12.3/21		C		*Newhart*
36 ▼ 12.3/20		F		*Simpsons*
38 ▲ 12.2/22		A		*Growing Pains*
39 ▼ 12.1/20		C		*Rescue: 911*
40 12.0/21		N		*Midnight Caller*
41 ▼ 11.9/20		C		*Murder, She Wrote*
42 ▼ 11.8/19		C		*Jake and the Fatman*
42 ▼ 11.8/22		A		*Perfect Strangers*
44 11.1/18		A		*China Beach*
44 ▲ 11.1/20		A		*Equal Justice*
44 ■ 11.1/18		N		*Working Girl*
47 ▼ 11.0/20		A		*Just the 10 of Us*
47 ■ 11.0/20		N		*Shannon's Deal*
49 ▼ 10.9/19		C		*Major Dad*
50 ■ 10.7/20		N		*Hardball*
51 ▲ 10.6/19		C		*Wiseguy*
52 ▲ 10.5/17		A		*Marshall Chronicles*
53 10.1/18		N		*My Two Dads*
54 ▲ 10.0/17		N		*FM*
55 9.9/18		C		*Sunday Movie: Comeback*
55 9.9/19		N		*Nasty Boys*
57 ▼ 9.8/19		C		*His & Hers*
57 ▼ 9.8/19		N		*13 East*
59 ▼ 9.6/17		A		*Father Dowling*
60 9.2/17		N		*Spy Magazine: Famous*
61 8.8/18		N		*227*
62 8.7/14		C		*Friends Are For*
62 8.7/16		C		*Learned Pigs*
64 ▼ 8.6/14		C		*City*
65 ■ 8.4/15		A		*Capital News*
65 8.4/16		C		*Movie: That's Life*
67 ▼ 8.1/14		C		*48 Hours*
68 7.8/15		C		*Dolphins, Whales & Us*
68 ▲ 7.8/16		C		*Sat. With Connie Chung*
70 ▼ 7.3/12		C		*Max Monroe: Cannon*
70 7.3/12		F		*Open House*
70 ▼ 7.3/15		C		*Paradise*
73 ▼ 7.2/12		F		*America's Most Wanted*
74 ▼ 7.1/14		F		*Totally Hidden Video*
75 6.8/13		N		*Baywatch*
76 ■ 6.5/13		A		*Sunset Beat*
77 ▼ 6.4/11		C		*Normal Life*
77 ▼ 6.4/11		C		*Sydney*
79 ▼ 6.3/13		F		*Cops*
80 ▼ 6.0/11		C		*Tour of Duty*
81 ■ 5.8/11		F		*In Living Color*
82 ▼ 5.7/12		A		*Life Goes On*
83 4.9/8		N		*True Blue*
84 ▼ 4.8/10		N		*Disney: Spooner, Pt.1*
85 ▼ 4.7/8		F		*Booker*
86 ▼ 4.6/7		F		*Alien Nation*
86 ▼ 4.6/8		F		*21 Jump Street*
88 4.0/8		A		*AFI Salute*
89 ▼ 3.8/8		F		*Outsiders*
90 3.7/7		F		*Tracy Ullman*

Guide to symbols
▼ —Down in rank from last week ▲ —Up in rank from last week ■ —Premiere broadcast — —No ranking change

Source: Nielsen Media Research

FREEZE FRAMES: Syndication Scorecard *

Week ended Apr. 15

Rank	Program (Syndicator)	Rtg	Stns	Covg
1	Wheel of Fortune, syn. (King World)	13.8	233	99
2	Jeopardy! (King World)	11.9	218	98
3	Star Trek: Next Generation (Paramount)	11.7	234	98
4	Entertainment Tonight (Paramount)	8.3	179	96
5	Cosby Show (Viacom)	8.2	204	98
5	Wheel of Fortune, wknd. (King World)	8.2	207	92
7	Oprah Winfrey (King World)	8.0	214	98
8	Current Affair (20th Century Fox TV)	7.6	194	96
9	Universal Pic. Debut Net.	7.0	135	95
10	Donahue (Multimedia)	5.8	227	99
11	Star Search (TPE)	5.3	171	97
12	Geraldo (Tribune)	5.1	191	97
13	Orion Galaxy	5.1	128	89
14	Hard Copy (King World)	5.0	161	92
15	People's Court (Warner Bros. Domestic TV)	4.9	185	92
	The following shows were rated, but not ranked			
	Wrestling Network	7.2	170	92
	World Wrestling Federation (WWF)	8.5	249	97

* Nielsen weekly pocketpiece

Source: Nielsen and Broadcasting's own research

Summary of Broadcasting & Cable

BROADCASTING			
SERVICE	ON AIR	CP's *	TOTAL *
Commercial AM	4,981	250	5,231
Commercial FM	4,282	859	5,141
Educational FM	1,425	278	1,703
■ Total Radio	10,688	1,387	12,075
Commercial VHF TV	549	19	568
Commercial UHF TV	550	188	738
Educational VHF TV	124	4	128
Educational UHF TV	225	22	247
■ Total TV	1,448	233	1,681
VHF LPTV	300	205	505
UHF LPTV	487	1,508	1,995
■ Total LPTV	787	1,713	2,470
FM translators	1,831	301	2,132
VHF translators	2,721	123	2,844
UHF translators	2,211	395	2,606

CABLE†	
Total subscribers	53,238,000
Homes passed	73,900,000
Total systems	9,500
Household penetration†	57.8%
Pay cable penetration†	29.7%

* Includes off-air licenses. † Penetration percentages are of TV household universe of 92.1 million. ‡ Construction permit. § Instructional TV fixed service. ¶ Studio-transmitter link. Source: Nielsen and Broadcasting's own research.

"By the Numbers" continues from page 17.

airing on Wednesday, ranked 60th for the week, while CBS had two specials tied for 62: *That's What Friends Are For* (Tuesday) and *Learned Pigs and Fireproof Women* (Thursday). CBS's *Dolphins, Whales and Us* tied at 68 with the network's struggling *Saturday Night with Connie Chung*.

MarketScope

Media stocks performed badly last week, in many cases sliding more than market averages. Leveraged companies generally performed the worst. Group owner/publisher stocks were off almost uniformly, embarrassing timing given last week's annual convention of American Newspaper Publishers Association in Los Angeles. Among group owners dropping more than market average were News Corp. ADRs, off 10% to 15¼, and two stocks that hit 52-week lows: Meredith, which fell 6% to 28¾, and Times Mirror Corp., which dropped 6% to 28¼. Both companies released quarterly results last week. Heavily leveraged MSOs also hit new lows, including Tele-Communications Inc., down 9% to 12⅝; Comcast, down 12% to 11⅞, and Adelphia Communications, down 10% to 11. American Television & Communications was up for week to 33¾, perhaps on word that preliminary agreement on renewing company's New York cable franchise had been reached. King World Productions saw heavy selling last Monday, perhaps partly due to delay in introducing company's new syndicated game show, *Monopoly*. Stock was off for week, 13% to 34¼. Viacom was off 9% from prior Wednesday at 44¼, perhaps because of company's decision to introduce new non-voting common stock. MCA was up 7%, which one newswire attributed to recent buy recommendations from Smith Barney and Shearson Lehman Hutton. Smaller cable programing stocks were off, including Video Jukebox, down 11% to 6¼, and QVC, down 9% to 10⅛.

Stock Index Notes: * Nasdaq, A-Amex, N-NYSE. (c)NASDAQ, bid prices and common A stocks used unless otherwise noted. P/E ratios are based on earnings per share for the previous 12 months as published by Standard & Poor's (S&P) or obtained by Broadcasting's own research.

STOCK INDEX 1

	Closing Wed Apr 25	Closing Wed Apr 18	Net Change	Percent Change	P/E Ratio	Market Capitalization ($000,000)
BROADCASTING						
A (CCB) Capital Cities/ABC	563 2/4	530	26	22 7/8	04.31	20	6,350
N (CBS) CBS	180	178		2	01.12	15	4,288
A (CAK) Chris-Craft Class A	33 7/8	33		1/8	00.30	116	84
O (JCOM) Jacor Communic.	4 1/8	4	7/8	–	3/4	– 15.38	-3	41
O (LINB) LIN	61 3/8	67		– 5	5/8	– 08.36	57	3,103
O (MSCS) Metromedia Steakhouse	1/8		1/8			00.00		
O (NWSB) News Corp. Class B	11 1/4	10	3/4		1/2	04.54	79	70
A (SCRIPA) Scripps Howard	15 1/4	14	1/2	– 2	1/4	– 10.46	12	139
A (PR) Price Communic.	4 3/8	4	5/8	–	1/4	– 05.40	-3	16
O (SAAS) Sage Broadcasting	1 3/4	2		–	1/4	– 12.50	-1	1
O (SCRP) Scripps Howard	56	56	1/4	–	1/4	– 00.42	28	1,120
O (SUNNC) SunGroup Inc.	3/4	1	1/4	–	1/2	– 40.00	-1	1
O (TLER) Telerama	5 7/8	5	7/8			00.00	-3	139
O (TVXS) TVX Broadcast	4	4	1/2	–	1/2	– 11.11		39
O (UTVI) United Television	33 1/2	33	3/4		3/4	02.23	8	773
BROADCASTING WITH OTHER MAJOR INTERESTS								
N (BHC) A.H. Belo	28 1/2	34		– 1	1/2	– 04.41	28	641
N (GPU) Amer. Family	13 3/4	13	7/8	–	1/8	– 00.89	13	1,118
O (ACOMA) Assoc. Commun.	28 1/2	28	3/4	– 2	1/4	– 07.02	60	486
N (CCN) Chris-Craft	33 1/8	31	3/8	1	3/4	05.97	1	83
O (GNCC) Gaylord Cont.	39	41		– 1		– 03.22	16	67
N (GCI) Gannett	36 3/4	37	5/8		7/8	– 02.22	14	5,914
O (GRACA) Grad. Ent. Comm.	8 7/8	8	1/2		3/8	05.76	-1	24
A (GTN) Multi Cable Media	4	4	1/4	–	1/4	– 05.88	-4	176
N (KRI) Knight-Ridder	37 3/8	39	3/4	– 1	1/8	– 02.90	10	1,413
O (LEE) Lee Enterprises	37 3/8	39	1/4	–	7/8	– 03.09	15	699
N (LEE) Liberty	47	48		– 1		– 02.08	11	366
N (MCP) McClatchy	31 7/8	33	1/8	– 2	1/4	– 04.88	64	2,870
A (MEGAA) Media General	39	39	7/8		1/8	00.43	39	799
N (MHP) Meredith Corp.	28 5/8	30	1/2	– 1	7/8	– 06.14	17	536
O (NYTA) New York Times	24 1/2	25	1/4			00.00	21	1,481

STOCK INDEX 2

		Closing Wed Apr 25	Closing Wed Apr 18	Net Change	Percent Change	P/E Ratio	Market Capitalization ($000,000)
PROGRAMING							
A	(NYTA) New York Times	21 3/8	21 3/8		00.00	6	1,660
N	(NWS) News Corp. Ltd.	15 1/4	16 7/8	– 1 5/8	– 09.62	6	4,094
O	(PARC) Park Commun.	21	20 3/4	1/4	01.20	23	434
O	(PLTZ) Pulitzer Publishing	27 1/2	27 1/4	1/4	00.91	9	267
N	(REL) Reliance Group Hold.	5 1/2	5 3/4	– 1/4	– 04.34	18	410
O	(RTRSY) Reuters Ltd.	52 3/4	56 1/4	– 3 1/2	– 06.22	25	23,982
O	(STAUF) Stauffer Commun.	146	144	2	01.30	48	144
N	(TMC) Times Mirror	28 7/8	30 7/8	– 2	– 06.47	12	3,751
O	(TMCI) TM Communications	7/32	5/16	– 3/32	– 30.00	-2	1
N	(TRB) Tribune	39 1/2	41 1/4	– 1 3/4	– 04.24	12	2,700
A	(TBSA) Turner Bcstg. 'A'	44 3/4	44 7/8	– 1/8	– 00.27	-58	2,216
A	(TBSB) Turner Bcstg. 'B'	41 7/8	42	– 1/8	– 00.29	-54	1,122
A	(WPOB) Washington Post	275	275		00.00	17	3,489
CABLE							
A	(ATN) Acton Corp.	11 3/4	12 1/8	– 3/8	– 03.09	2	18
O	(ATCMA) Am. TV & Comm.	33 1/4	32 1/2	3/4	02.30	36	3,405
O	(CTEC) C-Tec Corp.	17 5/8	17 7/8	– 1/4	– 01.39	65	320
A	(CVC) Cablevision Sys. 'A'	21	22 1/8	– 1 1/8	– 05.08	-2	464
A	(CTY) CenCoy Comm.	7 1/8	7 7/8	– 3/4	– 09.52	4	64
O	(CMCSA) Comcast	13 7/8	13 1/2	– 1 5/8	– 12.03	4	1,553
A	(FAL) Falcon Cable Systems	14 7/8	15 3/4	– 7/8	– 05.56	-10	86
O	(JOIN) Jones Intercable	8 1/4	8 3/4	– 1/2	– 05.71	-5	109
N	(KRI) Knight-Ridder	47 1/2	51	– 3 7/8	– 07.60	10	2,641
T	(RCLA) Rogers Commun. 'A'	13 1/2	13	1/2	03.80	-50	413
T	(RCLB) Rogers Commun. 'B'	9 1/8	9 1/2	– 3/8	– 04.00	-16	668
O	(TCAT) TCA Cable TV	13 1/4	14 1/2	– 1 1/4	– 08.62	25	580
O	(TCOMA) Tele-Commun.	13 5/8	13 7/8	– 1 1/4	– 09.00	-17	4,488
N	(TWX) Time Warner	32 1/2	29 1/8	– 6 3/4	– 06.80	-21	5,940
O	(UACCA) United Art. Ent. A	13	12 7/8	– 7/8	– 06.79	-5	1,871
O	(UACCB) United Art. Ent. B	12 1/4	12 7/8	– 5/8	– 04.85	-5	813
N	(VIA) Viacom	44 7/8	48 1/4	– 4 3/8	– 08.88	21	2,394
N	(WU) Western Union	9/16	9/16		00.00		31
SERVICE							
O	(ALLT) All American TV	3 3/8	3 5/8	– 1/4	– 06.89		4
A	(CLR) Color Systems	2 1/2	2 1/8	3/8	17.64	-2	15
O	(DCPI) dick clark prod.	5 7/16	5 1/2	– 1/16	– 01.13	24	44
N	(DIS) Disney	111 1/4	112 5/8	– 1 3/8	– 01.22	21	15,040
O	(FNNI) Financial News	6 7/8	7	– 1/8	– 01.78	26	124
A	(FE) Price Entertain.	1 3/4	1 7/8	– 1/8	– 06.66	-2	8
A	(HRH) Heritage Entertain.	1 1/8	1 1/8		00.00	-1	8
A	(HSN) Home Shopping Net.	7 1/4	6 7/8	3/8	05.45	-80	650
N	(KWP) King World	34 3/8	30 3/4	– 5 3/8	– 13.52	11	868
O	(KREN) Kings Road Entertain.	1/8	1/8		00.00		0
N	(MCA) MCA	57	53 1/4	3 3/4	07.04	21	4,187
N	(MGM) MGM/UA Commun.	17 1/4	17 7/8	– 5/8	– 03.49	-22	678
A	(NNI) Nelson Holdings	6 3/4	6 7/8	– 1/8	– 01.81		29
O	(NNET) Nostalgia Network	7/8	15/16	– 1/16	– 06.66	-1	4
N	(OPC) Orion Pictures	20	20 3/4	– 3/4	– 03.61	24	380
N	(PCI) Paramount Commun.	45 3/4	45 3/8	3/8	00.82	25	5,437
N	(PLA) Playboy Ent.	12 7/8	13	– 1/8	– 00.96	-90	121
O	(QNTQE) Qintex Ent.	1 1/4	1 1/4		00.00		28
O	(QVCN) QVC Network	10 3/8	11 3/8	– 1	– 08.79	29	156
O	(RVCC) Reeves Commun.	6 3/4	6 3/4		00.00	-6	85
O	(RPICA) Republic Pic. 'A'	7 3/4	8	– 1/4	– 03.12	33	33
O	(RPICB) Republic Pic. 'B'	7 3/4	7 3/4		00.00	86	33
O	(SP) Spelling Entertainment	7 1/8	7 3/4	– 5/8	– 08.06	29	236
O	(JUKE) Video Jukebox Net.	6 1/4	7	– 3/4	– 10.71	-25	58
O	(WONE) Westwood One	6	5 1/2	1/2	09.09	-1	88
EQUIPMENT & MANUFACTURING							
N	(ARV) Arvin Industries	15 5/8	15 1/8	1/2	03.30	24	216
O	(CCBL) C-Cor Electronics	10 7/8	11	– 1/8	– 01.13	17	48
N	(CNY) Chyron	2	2		00.00	-11	8
A	(CGN) Cohu	10 1/8	10	1/8	01.25	9	16
N	(EK) Eastman Kodak	57 3/4	58 5/8	– 1 7/8	– 04.70	20	12,672
N	(GRL) Gen. Instrument	32 1/4	30 3/4	1 1/2	04.87	19	887
N	(GE) General Electric	64 3/8	66 1/2	– 2 1/8	– 03.19	14	57,894
N	(GWS) Harris Corp.	34	33	– 1	– 03.03	30	1,240
N	(HAD) M/A Com. Inc.	3 3/8	3 5/8	– 1/4	– 06.89		71
N	(IV) Mark IV Indus.	12 5/8	12 5/8	1/4	02.02	3	177
O	(MATT) Matthews Equip.	2	2		00.00	167	9
O	(MCDY) Microdyne	3 1/2	3 1/2		00.00	175	14
O	(MCOM) Midwest Commun.	3 1/2	3 5/8	– 1/8	– 03.44	10	9
N	(MOT) Motorola	57 1/2	57 7/8	– 3/8	– 00.65	17	8,892
N	(OAK) Oak Industries	1	1		00.00	50	50
A	(PPI) Pico Products	1 1/8	1 1/4	– 1/8	– 10.00	-1	4
N	(SFA) Sci-Atlanta	22 1/8	21 3/4	3/8	01.72	13	468
N	(SNE) Sony Corp.	51 1/8	53 1/4	– 2 1/8	– 03.99	15	14,448
N	(TEK) Tektronix	13 3/8	13	3/8	02.88	43	380
N	(VAR) Varian Assoc.	23 3/8	24 1/8	– 1/4	– 01.03	15	624
O	(WGNR) Wegener	1 1/8	1 5/8	– 1/8	– 07.69	11	18
N	(WX) Westinghouse	75	75 5/8	– 2 5/8	– 03.47	11	10,356
N	(ZE) Zenith	9 1/8	9 3/4	– 5/8	– 03.41	-14	344
	Standard & Poor's 400	387.36	401.02	–	– 13.37	–	4515

sixth annual faculty workshop in communications policy. Annenberg offices, Willard Office Building, Washington. Information: (202) 393-7100.

June 4—Deadline for nominations for Hugh Hefner First Amendment Awards, designed to educate the public about First Amendment issues and to honor individuals who have made significant contributions to enhance and protect First Amendment rights for Americans, sponsored by *Playboy Foundation*. Information: (312) 751-8000.

June 5—*Radio Advertising Bureau/Association of National Advertisers* radio advertising workshop, "Tuning in to Marketing Power: The Radio Opportunity." Plaza hotel, New York. Information: Tom McEnery, (212) 697-5950.

June 5—*Cablecasting, Advertising Bureau* media research workshop. Hyatt Los Angeles Airport hotel, Los Angeles. Information: (212) 751-7770.

June 6-8—APRS '90, 22nd international exhibition of professional recording equipment, sponsored by *Professional Recording Association*. Olympia 2 exhibition center in London. Information: (0923) 772907.

June 7—*Cablecasting, Advertising Bureau* media research workshop. Dallas Marriott Park Central hotel, Dallas. Information: (212) 751-7770.

June 7-9—*National Association of Telecommunications Officers and Advisors* regional television management conference. Doubletree Austin, Tex. Information: (202) 626-3170.

June 7-10—*National Association of Radio Talk Show Hosts* annual meeting, conference. Contemporary Hotel, Disney World, Orlando, Fla. Information: (617) 247-3627.

June 8—*Center for Communication* special award luncheon honoring Thomas Murphy, chairman, Capital Cities/ABC, Inc., Waldorf-Astoria, New York. Information: (212) 836-8900.

June 8-9—*Mid-TV* annual personnel directors conference. Dallas.

June 8-9—Seminar, "How *BROADCASTING* Television Stations Can Use Research to Increase Sales," sponsored by *Society of Professional Broadcast Research*. Hyatt Regency, Cambridge, Mass. Information: Beverly Pitts, (617) 449-3000.

June 9-12—*National Broadcasting Federation* annual meeting. Hyatt Regency, Cambridge, Mass. Information: (617) 449-3000.

cations, and Ike Herbert, president, Coca-Cola Marriott Pavilion, St. Louis. Information: (202) 898-0089.

June 9-15—*Notre Dame Executive Management Development Seminar* exclusively for radio station owners, general managers and sales managers, South Bend, Ind. Information: National Association of Broadcasters Radio Office, (202) 429-5420.

June 10-13—*Broadcast Promotion and Marketing Executives and Broadcast Designers Association* annual conference, including presentation of Gold Medallion Awards. Barry's, Las Vegas.

June 10-14—*Radio Advertising Bureau* management development program. Wharton School of Business, University of Pennsylvania, Philadelphia. Information: (212) 254-4800.

June 11—Broadcasting/Cable interface IV, telecommunications policy seminar sponsored by *BROADCASTING magazine* and *Federal Communications Bar Association*. Westin hotel, Washington. Information: Patricia Vance, (202) 659-2340.

June 11-13—*New York Festivals*, comprising International Radio Festival and International Advertising Festival, featuring screenings and awards banquet. Sheraton Center hotel, New York. Information: (914) 238-4481.

June 11-13—JC Penney-Missouri community affairs television workshop sponsored by *University of Missouri*, Columbia, Mo. Information: Charles Warner, (314) 882-6883.

June 11-14—Second management seminar for broadcast news directors, sponsored by *Radio Television News Directors Association* and *University of Missouri School of Journalism*, University of Missouri, Columbia, Mo. Information: (314) 882-6883.

June 12-14—*ABC-TV* affiliate affiliates meeting, Century Plaza, Los Angeles.

June 14-16—Fundamentals of Cable Accounting and Budgeting, cable management program sponsored by *Women in Cable* and *Denver University*, University of Denver campus, Denver. Information: Nancy Berg, (312) 661-1700.

June 14-17—*Missouri Broadcasters Association* annual spring meeting, Rock Lane Lodge, Table Rock Lake, Branson, Mo.

June 15—*Women in Communications, Washington chapter*, Matrix luncheon, Capital Hilton hotel, Washington. Information: (202) 998-8431.

June 15-16—*Texas Association of Broadcasters* Radio Day, JW Marriott, Houston. Information: (512) 322-9944.

June 17-22—Broadcast Power Reporting, seminar sponsored by *Poynter Institute for Media Studies*, Poynter Institute, St. Petersburg, Fla. Information: (813) 821-9494.

June 19-22—*National Association of Broadcasters* summer board meeting, NAB, Washington.

June 20—Tape restoration and preservation.

TV STATION SALES

$91,000,000*

1st Quarter-1990

*Filed with FCC

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RADIO TELEVISION CABLE SATELLITE

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Vol 118 No 18

BROADCASTING'S EXCLUSIVE "BIG-THREE" FINANCIAL BREAKDOWN

	Revenue (000)	% chg from '88	Profit (000)	% chg from '88
Capcities/ABC				
TV network	$2,424,000	1%	$225,000	45%
Adjusted TV network	*2,424,000*	*1%*	*165,000*	*NM**
Owned TV's	789,700	5%	410,000	4%
Radio networks	127,800	10%	31,000	25%
Radio stations	173,100	3%	48,000	4%
Video Enterprises	385,400	15%	122,100	23%
Total broadcast segment	3,900,000	4%	836,100	16%
CBS				
TV network	$2,315,000	6%	$103,500	141%
Owned TV's	415,000	9%	156,300	3%
Radio networks	57,000	—	4,000	-50%
Radio stations	172,500	13%	30,800	6%
Total broadcast segment	2,959,500	7%	294,600	27%
NBC				
TV network	$2,787,000	-8%	$368,000	30%
Adjusted TV network	*2,787,000*	*-8%*	*393,000*	*35%**
Owned TV's	605,000	3%	270,000	5%
Cable	—	—	(35,000)	NM**
Total broadcast segment	3,392,000	-6%	603,000	12%

FOOTNOTES

These estimates were compiled from variety of sources, including industry associations and securities analysts reports. Television network revenue is net of agency commission and includes some international, color insertion and other revenue. Owned TV-station revenue does not include network compensation. Some cost allocations and interdepartmental eliminations have been recalculated, which accounts for percentage change figures not necessarily tallying with totals reported last year (BROADCASTING, May 1, 1989). Any discrepancies with actual percentage changes are likely to be magnified when dealing with smaller numbers. * Purchases of both ABC and NBC required bookkeeping which distorts actual earnings, particularly for television networks. Thus, addition this year of "adjusted" figures, which more accurately reflect cash flow results. For NBC, adjusted figure excludes $75 million of goodwill amortization (partial recognition of price GE paid in excess of RCA's net assets) and adds back estimated $50 million in costs which, for accounting purposes, were artificially eliminated through write-down of program assets at time of acquisition. ABC figure excludes $32 million of goodwill and adds back $92 million in program costs. Adjusted ABC profit compares to $4 million adjusted loss network recorded in 1988. ** NBC purchased half of joint cable-programing venture during 1989, and records only its share of profits, not revenue.

Big Three's big surge in '89 profits

The new captains of the big three broadcasters are good managers, if judged by 1989 financial results. In the last post-Olympic/post-election year, 1985, the broadcast segments of ABC, CBS and NBC posted slightly lower combined revenue and operating profit compared to the prior year. But in 1989, after changes in control at each, they instead posted slightly higher combined revenue and a 13% increase in combined profits.

Thus, it appears that acquisitions, diversifications, cost cutting and other operating "rationalizations" are bearing fruit at the bottom line. Quantifying the improvement another way, broadcast segment operating profit last year was $700 million more than in 1985, reflecting compound average growth of about 14%. As a result, the three companies combined are reporting operating margins last seen in the late 1970's.

In 1989, the television side consisted largely of two businesses: the networks, posting an average profit margin of about 9%, and the owned TV stations which, on average, posted 46% margins.

The television networks managed to reduce costs last year by 2%. The percentage reduction was probably greater in 1985, but part or all of the difference may be explained by the 1988 writers' strike that forced some programing costs from the second half of 1988 into the first half of 1989. Even with that handicap, the CBS Television Network, which had no Olympics to distort comparisons, kept estimated cost increases to the rate of inflation. Since the three-network revenue performance was stronger in 1989 than in 1985, the new owners' economizing moves produced more profit.

Cost controls also were a factor at the owned TV stations, which benefited from the "major market" phenomenon that has kept station revenue growth generally above the national average.

Still, the owned TV station divisions had to struggle to maintain operating margins. Excluding the purchase of WCIX(TV) Miami in January 1989, CBS owned-station revenue would have increased by roughly 4%, instead of the 9% shown in the chart, although the profit increase would have been slightly higher than the 3% shown. At NBC, the division's revenue might have declined 3%, instead of increasing 3%, absent the purchase of WTVJ(TV) Miami, while operating income would instead have been close to flat with that reported in 1988.

Results at the radio stations of Capital Cities/ABC and CBS were similar to those of their television counterparts. Absent the acquisition of WWJ(AM)-WJOI(FM) Detroit, radio station revenue at CBS would have increased roughly 6%, while earnings might have been slightly lower. For the radio networks there was underlying industry growth, but the different results turned in by CBS and ABC reflect the respective operations' ratings fortunes. Although ABC radio network revenue was up, its growth rate might have been halved had the results not included Satellite Music Network, purchased by Capital Cities in July 1989.

That the NBC television network should still have earned more, on a cash basis, than the other two networks combined is testimony to its prime time dominance during 1988 and early 1989, from which ratings the 1989 revenue was derived. In 1990 the same logic should now work to the benefit of ABC, which has been gaining demographic share from NBC, noted securities analysts such as Raymond Katz, of Mabon Nugent & Co., and Jay Nelson, of Brown Brothers Harriman. They predict the ABC television network's cash profit for the year should roughly double that in 1989. But analysts currently expect flat profit comparisons for the NBC and CBS television networks, despite the revenue boost given by last spring's strong upfront market to the first three quarters of this year. –GF

This story's references to television network cash profit are drawn from the "adjusted" TV network figures in the chart above. See chart footnotes for explanation.